

HOUSING & COMMUNITY DEVELOPMENT COMMITTEE MEETING
September 23, 2010
5th FLOOR CONFERENCE ROOM, CITY HALL
MINUTES

Committee Members Present: Brownie Newman, Jan Davis, Gordon Smith

Staff: Jeff Staudinger, Amy Sawyer, Angie Cullen, Martin Fienblatt, Randy Stallings, Shannon Tuch

Councilman Brownie Newman opened the meeting at 8:30 a.m. The minutes from the July 29, 2010 meeting were approved.

1. CAPER Update

Jeff Staudinger gave a brief update on the CAPER. The CAPER (Comprehensive Annual Performance Evaluation report) is the annual report for HUD that reviews CDBG and HOME activities from the past year. This will be discussed further at the October meeting after the CAPER has been finalized.

Brief Updates:

- ? Affordable Housing – we met or exceeded the goals from the 2010-2015 Consolidated Plan in every category except new construction or rehab for rental. However, 123 new rental units currently under construction, to be complete this year.
- ? Economic Development – exceeded Consolidated Plan targets in every category.
- ? Non-Housing CD Activities – public works slow to get started because Recovery Act projects moved to the forefront. Financial support, homelessness and youth services projects are all in progress.

Jeff will present more details on the CDBG and HOME financial reports at the October meeting.

Councilman Jan Davis asked about available information regarding how many jobs were gained in relation to the Green Opportunities job training programs? Data is collected for six months to one year after the job training ends. From last years group, 17 of the 21 youth trained through Green Opportunities maintained jobs for at least a year after the training ended.

2. Affordable Housing Working Group Recommendations

Robin Merrell, on behalf of the Affordable Housing Working Group (AHWG), requested that a formal affordable housing advisory committee be established. This idea was first discussed in the April HCD meeting.

- ? The AHWG proposed that the Advisory Committee would advise the HCD and City Council on the implementation of the Affordable Housing Plan and provide

input on CDBG, HOME and Housing Trust Fund priorities. Staff supports the formation of an advisory committee.

The sense of the Committee was that they hoped such a committee could wrestle with issues and differences of opinion to bring proposals before Council around which a consensus has been formed. To accomplish this, they would like a group with diverse perspectives. Suggestions for membership were for 7-9 members, with a few specific member appointments and the remainder appointed at-large. Specific appointment suggestions included a non-profit developer, for profit developer (1 or 2), neighborhood Representative (1 or 2) and a resident of affordable housing

It was suggested that the Commission include County appointments. A dialogue with county commissioners and managers on a joint commission was urged.

Finally, the committee charge was discussed. There was agreement that the committee would advocate for and update the Affordable Housing Plan. There was concern about how involved the committee would be with decisions on allocating grant funding and specific housing development proposals. The committee's role would possibly be to comment on how a particular project fits within the goals of the plan, not specifics.

HCD Members generally support the idea and will look to staff to provide more specifics in a proposal.

3. Fee-in-lieu Recommendation

Randy Stalling gave a brief update on the fee-in-lieu recommendations made by the Affordable Housing Working Group. The AHWG recommended that the fee be tied to the cost of producing a unit, and proposed that the Public Housing Authority replacement cost figures be used. The Committee was concerned that this used such a high per unit cost that any developer choosing a fee-in-lieu option was remote. Members believed the city can get more units built if the fee were lower. Staudinger commented that the working group recommendation would probably result in units, not payment of fees, and that this was the AHWG's objective. Shannon Tuch commented that for profit developers are very interested in the density bonus, but uncomfortable having affordable units in their projects. Staff will provide updates at next meeting.

4. Annual Action Plan Amendments

? Beulah Chapel Drainage Project

The City has determined that it can do the work cost-effectively itself than if the work were contracted. The Eagle Market Street Development Corporation originally agreed to manage this project on behalf of the Beulah Chapel. If the City performs the work, the City will also take easements for the repaired line, and be responsible for future maintenance and repairs. It was determined that this is not a substantial amendment to the Action Plan and does not need a public hearing.

? AAHH HOME Dennis Street in Swannanoa

Asheville Area Habitat for Humanity was granted \$130,000 of HOME funds in the 2010-2011 Action Plan to support hard costs for a new housing development on Dennis Street in Swannanoa. The site is located near to Interstate 40, and without significant and costly noise mitigation does not meet minimum noise standards to meet HUD environmental regulations. Staff has proposed that these funds be transferred to support hard development costs in the Habitat Brotherton project, on the condition that Habitat complete the Dennis Street project without HUD funds, and with the agreement of Buncombe County and the Consortium that these funds be allowed to be used for a project in Asheville. This change will require a Substantial Amendment.

? Community Housing Coalition of Madison County

The Community Housing Coalition of Madison County (CHCMC) was granted \$50,000 of HOME funds in the 2009-2010 Action Plan as a CHDO for the construction of single-family housing. CHCMC has not been able to perform this activity, and therefore are relinquishing this grant; CHC is receiving technical assistance through the USDA grant, and expects to bring forward development projects in the future. This change meets the definition of a Substantial Amendment.

The Committee agreed to forward the amendments to Council contingent on formal motions from the HOME Consortium Board.

5. Sustainable Community Grant Applications

Jeff Staudinger updated on the status of the grant. There is no specific feed back from HUD at this time. We are continuing to meet with Land of Sky to figure out ways to promote sustainability in the region.

6. Project Connect Report

Amy Sawyer gave a report from Project Connect event, held on September 10, 2010. Brought together businesses, faith groups, volunteers, city staff, and council members to assist with homelessness prevention. 200 people came out to get assistance from the services provided.

7. Other Business

James Lee of City staff and Stephanie Twitty from EMSDC gave an update on the progress of the Hub Academy. A grant proposal to support this project will be made mid-October. The Academy- to be called the BLOCK Academy- will be designed to provide financial and business literacy to new and existing minority businesses in Asheville.

Meeting adjourned at 10:30 a.m. The next meeting will be on Thursday, October 21 at 8:30 a.m.